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 AEROFLEX, INC.,  
 AMI SEMICONDUCTOR, INC.,  
 MATROX ELECTRONIC SYSTEMS LTD.,  
 MATROX GRAPHICS INC.,  
 MATROX INTERNATIONAL CORP., and  
 MATROX TECH, INC.  
 AEROFLEX COLORADO SPRINGS, INC.

UNITED STATES DISTRICT COURT  
 NORTHERN DISTRICT OF CALIFORNIA  
 SAN FRANCISCO DIVISION

15	RICOH COMPANY, LTD.,	) Case No. CV 03-04669 MJJ (EMC)
16	Plaintiff,	)
17	vs.	) <b>ANSWER AND COUNTERCLAIMS OF</b>
18	AEROFLEX INCORPORATED, AMI	) <b>DEFENDANT MATROX GRAPHICS INC.</b>
19	SEMICONDUCTOR, INC., MATROX	) <b>TO AMENDED COMPLAINT FOR</b>
20	ELECTRONIC SYSTEMS, LTD., MATROX	) <b>PATENT INFRINGEMENT</b>
21	GRAPHICS INC., MATROX	)
22	INTERNATIONAL CORP., MATROX TECH,	)
23	INC., and AEROFLEX COLORADO SPRINGS,	)
24	INC.,	)
25	Defendants.	)

Defendant Matrox Graphics Inc. ("Matrox Graphics") for its Answer to the Amended  
 Complaint and for its Counterclaims, hereby responds to the numbered paragraphs of the Amended  
 Complaint filed by Ricoh Company, Ltd. ("Ricoth"), and in doing so denies the allegations of the  
 Amended Complaint except as specifically stated:

**PARTIES**

1  
2 1. Upon information and belief, Matrox Graphics admits that plaintiff Ricoh is a corporation  
3 organized under the laws of Japan and maintains its principal place of business at 3 -6 1-chome,  
4 Nakamagome, Tokyo, Japan.

5 2. Matrox Graphics lacks information sufficient to form a belief as to the truth of the  
6 allegations of Paragraph 2, and on that basis, denies those allegations.

7 3. Matrox Graphics lacks information sufficient to form a belief as to the truth of t he  
8 allegations of Paragraph 3, and on that basis, denies those allegations.

9 4. Matrox Graphics lacks information sufficient to form a belief as to the truth of the  
10 allegations of Paragraph 4, and on that basis, denies those allegations.

11 5. Matrox Graphics admit s that Matrox Graphics is a corporation organized under the laws of  
12 Quebec, Canada, and maintains its principal place of business at 1055 Boul St -Regis, Dorval, Quebec  
13 H9P 2T4 Canada. Except as expressly admitted, Matrox Graphics denies the allegations of Paragraph  
14 5 of the Amended Complaint.

15 6. Matrox Graphics lacks information sufficient to form a belief as to the truth of the  
16 allegations of Paragraph 6, and on that basis, denies those allegations.

17 7. Matrox Graphics lacks information sufficient to form a belief as to the truth of the  
18 allegations of Paragraph 7, and on that basis, denies those allegations.

19 8. Matrox Graphics lacks information sufficient to form a belief as to the truth of the  
20 allegations of Paragraph 8, and on that basis, denies those alleg ations.

**JURISDICTION**

21  
22 9. Matrox Graphics admits that plaintiff's claim purports to arise under the patent laws of the  
23 United States, Title 35, and more particularly under 35 U.S.C. §§ 271 et. seq. Except as expressly  
24 admitted, Matrox Graphics denies the alleg ations of Paragraph 9 of the Amended Complaint.

25 10. Matrox Graphics admits that the Court has subject matter jurisdiction over the allegations  
26 of patent infringement in the Amended Complaint pursuant to 28 U.S.C. §§ 1338(a) and 1331. Except  
27 as expressly admit ted, Matrox Graphics denies the allegations of Paragraph 10 of the Amended  
28 Complaint.

1 11. Matrox Graphics denies that the Court has personal jurisdiction over Matrox Graphics.  
2 Except as expressly denied, Matrox Graphics lacks information sufficient to form a belief as to the  
3 truth of the allegations of Paragraph 11, and on that basis, denies those allegations.

#### 4 VENUE

5 12. Matrox Graphics admits that venue is proper in this judicial district pursuant to 28 U.S.C. §  
6 1391. Except as expressly admitted, Matrox Graphics denies the allegations of Paragraph 12 of the  
7 Amended Complaint.

#### 8 FACTUAL BACKGROUND

9 13. Matrox Graphics admits that United States Patent No. 4,922,432 (“the ‘432 Patent”)  
10 entitled “Knowledge Based Method and Apparatus for Designing Integrated Circuits using Functional  
11 Specifications,” issued on May 1, 1990. Matrox Graphics admits that the ‘432 Patent names Hideaki  
12 Kobayashi and Masahiro Shindo as inventors. Matrox Graphics further admits that a copy of the ‘432  
13 Patent is attached to the Amended Complaint as Exhibit 1. Except as expressly admitted, Matrox  
14 Graphics denies the allegations of Paragraph 13 of the Amended Complaint.

15 14. Matrox Graphics lacks information sufficient to form a belief as to the truth of the  
16 allegations of Paragraph 14, and on that basis, denies those allegations.

17 15. Matrox Graphics lacks information sufficient to form a belief as to the truth of the  
18 allegations of Paragraph 15, and on that basis, denies those allegations.

#### 19 PATENT INFRINGEMENT

#### 20 COUNT 1

21 16. Matrox Graphics repeats its responses to the allegations in Paragraphs 1 through 15 of the  
22 Amended Complaint.

23 17. Matrox Graphics lacks information sufficient to form a belief as to the truth of the  
24 allegations of Paragraph 17, and on that basis, denies those allegations.

25 18. Matrox Graphics lacks information sufficient to form a belief as to the truth of the  
26 allegations of Paragraph 18, and on that basis, denies those allegations.

27 19. Matrox Graphics lacks information sufficient to form a belief as to the truth of the  
28 allegations of Paragraph 19, and on that basis, denies those allegations.

1 20. Matrox Graphics lacks information sufficient to form a belief as to the truth of the  
2 allegations of Paragraph 20, and on that basis, denies those allegations.

3 21. Matrox Graphics lacks information sufficient to form a belief as to the truth of the  
4 allegations of Paragraph 21, and on that basis, denies those allegations.

5 **COUNT 2**

6 22. Matrox Graphics repeats its responses to the allegations in Paragraphs 1 through 15 of the  
7 Amended Complaint.

8 23. Matrox Graphics lacks information sufficient to form a belief as to the truth of the  
9 allegations of Paragraph 23, and on that basis, denies those allegations.

10 24. Matrox Graphics lacks information sufficient to form a belief as to the truth of the  
11 allegations of Paragraph 24, and on that basis, denies those allegations.

12 25. Matrox Graphics lacks information sufficient to form a belief as to the truth of the  
13 allegations of Paragraph 25, and on that basis, denies those allegations.

14 26. Matrox Graphics lacks information sufficient to form a belief as to the truth of the  
15 allegations of Paragraph 26, and on that basis, denies those allegations.

16 27. Matrox Graphics lacks information sufficient to form a belief as to the truth of the  
17 allegations of Paragraph 27, and on that basis, denies those allegations.

18 **COUNT 3**

19 28. Matrox Graphics repeats its responses to the allegations in Paragraphs 1 through 15 of the  
20 Amended Complaint.

21 29. Matrox Graphics lacks information sufficient to form a belief as to the truth of the  
22 allegations of Paragraph 29, and on that basis, denies those allegations.

23 30. Matrox Graphics lacks information sufficient to form a belief as to the truth of the  
24 allegations of Paragraph 30, and on that basis, denies those allegations.

25 31. Matrox Graphics lacks information sufficient to form a belief as to the truth of the  
26 allegations of Paragraph 31, and on that basis, denies those allegations.

27 32. Matrox Graphics lacks information sufficient to form a belief as to the truth of the  
28 allegations of Paragraph 32, and on that basis, denies those allegations.

1 33. Matrox Graphics lacks information sufficient to form a belief as to the truth of the  
2 allegations of Paragraph 33, and on that basis, denies those allegations.

3 **COUNT 4**

4 34. Matrox Graphics repeats its responses to the allegations in Paragraphs 1 through 15 of the  
5 Amended Complaint.

6 35. Matrox Graphics denies each and every allegation in Paragraph 35 of the Amended  
7 Complaint.

8 36. Matrox Graphics denies each and every allegation in Paragraph 36 of the Amended  
9 Complaint.

10 37. Matrox Graphics denies each and every allegation in Paragraph 37 of the Amended  
11 Complaint.

12 38. Matrox Graphics denies each and every allegation in Paragraph 38 of the Amended  
13 Complaint.

14 39. Matrox Graphics denies each and every allegation in Paragraph 39 of the Amended  
15 Complaint.

16 **COUNT 5**

17 40. Matrox Graphics repeats its responses to the allegations in Paragraphs 1 through 15 of the  
18 Amended Complaint.

19 41. Matrox Graphics lacks information sufficient to form a belief as to the truth of the  
20 allegations of Paragraph 41, and on that basis, denies those allegations.

21 42. Matrox Graphics lacks information sufficient to form a belief as to the truth of the  
22 allegations of Paragraph 42, and on that basis, denies those allegations.

23 43. Matrox Graphics lacks information sufficient to form a belief as to the truth of the  
24 allegations of Paragraph 43, and on that basis, denies those allegations.

25 44. Matrox Graphics lacks information sufficient to form a belief as to the truth of the  
26 allegations of Paragraph 44, and on that basis, denies those allegations.

27 45. Matrox Graphics lacks information sufficient to form a belief as to the truth of the  
28 allegations of Paragraph 45, and on that basis, denies those allegations.

**COUNT 6**

46. Matrox Graphics repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

47. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 47, and on that basis, denies those allegations.

48. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 48, and on that basis, denies those allegations.

49. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 49, and on that basis, denies those allegations.

50. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 50, and on that basis, denies those allegations.

51. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 51, and on that basis, denies those allegations.

**COUNT 7**

52. Matrox Graphics repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

53. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 53, and on that basis, denies those allegations.

54. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 54, and on that basis, denies those allegations.

55. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 55, and on that basis, denies those allegations.

56. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 56, and on that basis, denies those allegations.

57. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 57, and on that basis, denies those allegations.

**DEFENSES**

In further response to the Amended Complaint, Defendant Matrox Graphics asserts the following:

**FIRST AFFIRMATIVE DEFENSE: INVALIDITY**

58. The '432 Patent is invalid for failure to meet the requirements specified in Title 35 of the United States Code, including, but not limited to, 35 U.S.C. §§ 101, 102, 103, and 112 for one or more of the following reasons: (a) the inventor named in the '432 Patent did not invent or discover any new useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof within the meaning of 35 U.S.C. § 101; (b) the subject matter claimed in the '432 Patent was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before it was invented by the inventors named in the '432 Patent, as prohibited by 35 U.S.C. § 102(a); (c) the subject matter claimed in the '432 Patent was patented or described in a printed publication in this or a foreign country or was in public use or on sale in this country, more than one year prior to the filing of the application which resulted in the '432 Patent in the United States, as prohibited by 35 U.S.C. § 102(b); (d) the subject matter claimed in the '432 Patent was described in a United States patent based on an application filed in the United States or described in an application published prior to its invention by the inventors named in the '432 Patent, as prohibited by 35 U.S.C. § 102(e); (e) the inventor named in the '432 Patent did not invent the subject matter; (f) the subject matter claimed in the '432 Patent was invented in this country by another inventor, who did not abandon, suppress or conceal it, before its invention by the inventors named in the '432 Patent, as prohibited by 35 U.S.C. § 102(g); (g) the subject matter claimed in the '432 Patent would have been obvious, in view of the prior art, to a person having ordinary skill in the art at the time the invention was made under 35 U.S.C. § 103; and/or (h) the claims of the '432 Patent are invalid for failing to comply with 35 U.S.C. § 112, in that (i) the specification fails to contain a written description of the subject matter claimed in the '432 Patent and the manner and process of making and using it; (ii) the claims fail to particularly point out and distinctly claim a patentable invention, (iii) the claims are indefinite, (iv) the specification fails to enable one skilled in the art to practice the claimed invention, and/or (v) the specification fails to set forth the best mode contemplated by the named inventors for

1 carrying out the alleged invention. Defendant reserves the right to amend this defense further, as  
2 additional information is developed through discovery or other wise.

3 **SECOND AFFIRMATIVE DEFENSE: NONINFRINGEMENT**

4 59. Matrox Graphics has not used within the United States any processes that infringe any valid  
5 claim of the '432 Patent, either directly, indirectly, contributorily or otherwise, and has not induced  
6 others to infringe any valid claim of the '432 Patent.

7 60. Matrox Graphics has not offered to sell, sold, and/or imported within the United States any  
8 product made by a process that infringes any valid claim of the '432 Patent, either directly, indirectly,  
9 contributorily, or otherwise, and has not induced others to infringe any valid claim of the '432 Patent.

10 **THIRD AFFIRMATIVE DEFENSE: LACHES**

11 61. Between 1991 and 2001 Plaintiff Ricoh and Knowledge Based Silicon Corporation  
12 ("KBS") were co-assignees of the '432 patent. Pursuant to agreement, Ricoh paid the maintenance  
13 fees for the '432 patent. On information and belief, Ricoh and KBS coordinated all activities related to  
14 the '432 patent.

15 62. In or about 1991, KBS unsuccessfully tried to persuade Synopsys, Inc. ("Synopsys"), to  
16 license the '432 Patent. KBS subsequently abandoned those efforts, and instead developed and  
17 marketed products that were interoperable with Synopsys' Design Compiler product. Towards this  
18 end, KBS acquired a license to Design Compiler and received assistance from Synopsys to make its  
19 products interoperable with the Design Compiler software. At no point during these cooperative  
20 efforts did KBS make any allegation that Synopsys' Design Compiler software, or any other Synopsys  
21 product, was infringing the '432 Patent.

22 63. Matrox Graphics purchased the Design Compiler software from Synopsys.

23 64. Plaintiff is barred from recovery of damages by reason of laches.

24 **FOURTH AFFIRMATIVE DEFENSE: IMPLIED LICENSE**

25 65. Plaintiff is barred from obtaining any relief sought in the Amended Complaint by reason of  
26 the existence of an implied license to practice the claims of the '432 Patent between Plaintiff and  
27 Synopsys. Plaintiff's action against Matrox Graphics is barred by the doctrine of patent exhaustion.



**RESERVATION OF AFFIRMATIVE DEFENSES**

66. With discovery still ongoing, Matrox Graphics has yet to complete its investigation. Matrox Graphics reserves the right to assert any other defenses that discovery may reveal, including unclean hands or inequitable conduct.

**COUNTERCLAIMS**

Counterplaintiff Matrox Graphics, Inc. ("Matrox Graphics"), for its counterclaims against Counterdefendant Ricoh Company, Ltd. ("Rico"), alleges as follows:

**PARTIES**

67. Matrox Graphics is a corporation organized under the laws of Quebec, Canada, and maintains its principal place of business at 1055 Boul St -Regis, Dorval, Quebec H9P 2T4 Canada.

68. Upon information and belief, Ricoh is a corporation organized under the laws of Japan, having its principal place of business at 3 -6 1-chome, Nakamagome, Tokyo, Japan.

**JURISDICTION AND VENUE**

69. Counts 1 through 2 of the counterclaims are based upon the Patent Laws of the United States, Title 35 of the United States Code, §1 *et seq.* The Court has jurisdiction over the counterclaims pursuant to 28 U.S.C. §§ 1331, 1338(a), 2201, and 2202.

70. Ricoh has submitted to the personal jurisdiction of this Court, because suit was filed in this district by Counterdefendant Ricoh.

71. Venue is proper in this district pursuant to 28 U.S.C. § 1391, because suit was filed in this district by Counterdefendant Ricoh.

72. There is an actual justiciable case or controversy between Matrox Graphics and Ricoh, in this district, arising under the Patent Laws, 35 U.S.C. § 1 *et seq.* This case or controversy arises by virtue of Ricoh's filing of this suit which purports to allege that Matrox Graphics infringes U.S. Patent No. 4,922,432 ("the '432 Patent") and Matrox Graphics' Answer thereto, which asserts the invalidity and noninfringement of the '432 Patent.

**COUNT 1****DECLARATORY JUDGMENT OF INVALIDITY**

73. Matrox Graphics incorporates by reference Paragraphs 1 -72 into this count as though fully set forth herein.

74. The '432 Patent, entitled "Knowledge Based Method and Apparatus for Designing Integrated Circuits using Functional Specifications" issued on May 1, 1990. Rico h purports to be the owner of the '432 Patent.

75. Ricoh has sued Matrox Graphics in the present action, alleging infringement of the '432 Patent.

76. Based on Paragraph 58 above, which is specifically incorporated by reference into this Paragraph, the '432 Patent is invalid.

77. Matrox Graphics requests declaratory judgment that the '432 Patent is invalid.

**COUNT 2****DECLARATORY JUDGMENT OF NONINFRINGEMENT**

78. Matrox Graphics incorporates by reference Paragraphs 1 -77 into this count as though fully set forth herein.

79. Based on Paragraphs 59 and 60 above, which are specifically incorporated by reference into this Paragraph, the '432 Patent is not infringed by Matrox Graphics.

80. Matrox Graphics requests declaratory judgment that Matrox Graphics has not infringed the '432 Patent.

**RESERVATION OF COUNTERCLAIMS**

81. Matrox Graphics reserves the right to assert any other counterclaims that discovery may reveal, including, but not limited to, claims arising out of false or misleading statements to the public and/or customers.

**PRAYER FOR RELIEF**

WHEREFORE, Matrox Graphics respectfully prays for the following relief:

A. that this Court deny and all relief requested by Plaintiff in its Amended Complaint and any relief whatsoever, and that the Amended Complaint be dismissed with prejudice;

- 1 B. that this Court declare the '432 Patent invalid;
- 2 C. that this Court declare the '432 Patent unenforceable;
- 3 D. that this Court declare that Matrox Graphics has not infringed any valid claim of the
- 4 '432 Patent;
- 5 E. that this Court declare the case to be exceptional pursuant to 35 U.S.C. § 285 and that
- 6 costs of this action and attorneys' fees be awarded to Matrox Graphics;
- 7 F. that this Court grant such other and further relief to Matrox Graphics as this Court may
- 8 deem just and equitable and as the Court deems appropriate.
- 9

10 **DEMAND FOR JURY TRIAL**

11 Defendant Matrox Graphics hereby demands trial by jury in this action.

12 Dated: April 26, 2004

Respectfully submitted,

13 HOWREY SIMON ARNOLD & WHITE, LLP

14

15 By: /s/ Erik K. Moller

16 Erik K. Moller  
17 Attorneys for Defendants  
18 AEROFLEX INCORPORATED, AMI  
19 SEMICONDUCTOR, INC., MATROX  
20 ELECTRONIC SYSTEMS, LTD., MATROX  
21 GRAPHICS INC., MATROX  
22 INTERNATIONAL CORP., MATROX TECH,  
23 INC., and AEROFLEX COLORADO  
24 SPRINGS, INC.

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